



U.S. Department  
of Transportation

**Pipeline and  
Hazardous Materials Safety  
Administration**

901 Locust Street, Suite 462  
Kansas City, MO 64106-2641

## **WARNING LETTER**

### **CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

April 22, 2009

Mr. Royce Ramsay  
Vice President, Operations  
Northern Natural Gas Company  
1111 South 103rd Street  
Omaha, Nebraska 68124-1000

**CPF 3-2009-1004W**

Dear Mr. Ramsay:

On June 5-9, 2006 and June 19-21, 2006, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Minnesota Office of Pipeline Safety and Michigan Public Service Commission pursuant to Chapter 601 of 49 United States Code inspected the Northern Natural Gas (NNG) integrity management (IM) plan and procedures in Omaha, Nebraska.

As a result of the inspection, it appears that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The item(s) inspected and the probable violation(s) are:

**1. §192.911 What are the elements of an integrity management program?**

**An operator's initial integrity management program begins with a framework (see §192.907) and evolves into a more detailed and comprehensive integrity management program, as information is gained and incorporated into the program. An operator must make continual improvements to its program. The initial program framework and subsequent program must, at minimum, contain the following elements. (When indicated, refer to ASME/ANSI B31.8S (ibr, see §192.7) for more detailed information on the listed element.)**

**(a) An identification of all high consequence areas, in accordance with §192.905.**

**Item 1A: §192.905(b)(1) Identified sites.** An operator must identify an identified site, for purposes of this subpart, from information the operator has obtained from routine operation and maintenance activities and from public officials with safety or emergency response or planning responsibilities who indicate to the operator that they know of locations that meet the identified site criteria. These public officials could include officials on a local emergency planning commission or relevant Native American tribal officials.

**(2)** If a public official with safety or emergency response or planning responsibilities informs an operator that it does not have the information to identify an identified site, the operator must use one of the following sources, as appropriate, to identify these sites.

**(i)** Visible marking (e.g., a sign); or

**(ii)** The site is licensed or registered by a Federal, State, or local government agency; or

**(iii)** The site is on a list (including a list on an internet web site) or map maintained by or available from a Federal, State, or local government agency and available to the general public.

**§192.907(a) General.** No later than December 17, 2004, an operator of a covered pipeline segment must develop and follow a written integrity management program that contains all the elements described in §192.911 and that addresses the risks on each covered transmission pipeline segment. The initial integrity management program must consist, at a minimum, of a framework that describes the process for implementing each program element, how relevant decisions will be made and by whom, a time line for completing the work to implement the program element, and how information gained from experience will be continuously incorporated into the program. The framework will evolve into a more detailed and comprehensive program. An operator must make continual improvements to the program.

NNG did not use information from public officials to determine "identified sites" during the initial high consequence area (HCA) identification that was completed in December 2004. While NNG's effort to identify HCAs used comprehensive field surveys and appeared to be thorough, the IM rule specifically requires that operators consider information from public officials responsible for safety or emergency response/planning who indicate to the operator that they would know of locations near the pipeline meeting the HCA criteria. During the inspection, NNG representatives acknowledged that public officials were not contacted during the initial HCA identification process. NNG's procedures were revised in January 2006 to include requirements to contact public officials. The first contacts occurred prior to that, in 2005, via the communication program brochures.

Under 49 United States Code, §60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any related series of violations. We have reviewed the circumstances and

supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item identified in this letter. Be advised that failure to do so will result in NNG being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 3-2009-1004W**.

Sincerely,

A handwritten signature in cursive script, reading "Ivan A. Huntoon".

Ivan A. Huntoon  
Director, Central Region  
Pipeline and Hazardous Materials Safety Administration